Engineering Consultants Limited (MECON), Mt. Braithwaite and M/s. Heavy Engineering Corporation (HEC), etc.

Statement

SI. No	Package	Company
A.	Continuous Casting	HSCL, L&T, ABB, VAI, Austria (Voest-Alpine Industrieanlagenbau)
B.	Reheating Furnace	HSCL, MECON, Italiampianti, Italy (Now Technit)
C.	Hot Strip Mill & Coiler	ABB, SMS(I), (Schloemann-Siemag, India) Simplex, TGS (Tata. Growth Shop) VAI, Austria SMS (AG),-Germany (Schloemann-Siemag, Akiengesfllschaft) GFA, Germany
D.	Indigenous packages	HEC, Braithwaite, HSCL, Siemens, Wellman, BSBK, NICCO, KPC. TELCO, Philips, Ashok Leyland, etc.

Steel Prkes

3625. SHRI S.M. KRISHNA: Will the Minister of STEEL AND MINES be pleased to state:

(a) the comparative price of steel during last five years, year wise in the country and the steel imported;

(b) the reasons for increase in the prices and its likely effect on production and demand;

(c) whether Government propose to reduce the prices of steel produced by Steel Companies like SAIL, TISCO, ESSAR and other private steel companies;

(d) if so, the details thereof and if not, the reasons therefor; and

(e) the cost of steel production both in private and public sector separately?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESRBAIS): (a) to (c) After the decontrol of steel in January 1992, the demand, production and prices of steel are driven by market forces. The prices of imported and domestic steel items vary depending upon specific grades, thicknesses and composition. Prices are also dependent on incidence of duties, levies, taxes and foreign exchange rate. These factors are dynamic and keep changing frequently. However, the landed cost of imports, inclusive of custom duty,of steel items at present, are generally higher as compared to the ex-stockyard prices of SAIL. Government has no role to play in pricing of steel produced by the main producers. Secondary producers were free to fix their own prices even prior to 1992. The open market prices of steel have not shown any drastic increase in the past one year. The reason being that the markel'is unable to sustain the high cost of steel.

(d) Does not arise in view of (a) to (c) above.

(e) The cost of production of steel primarily depends upon prices of inputs tuch as iron ore, coal, steel scrap and energy, cost of freight and labour Custom&^xcise Duty on inputs and raw materials and financial charges. The cost of these inputs/'factors keeps varying from time to time according to the inter-play of market forces. The cost of production also varies from item to item and depends on the specification thickness, grade etc. of the steel items required to be produced. As such an average cost of steel production cannot be arrived at.